



# Citizens for a Healthy Bay

June 20, 2019

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Re: SeaPort Sound Terminal Taylor Way Rail Spurs Substantial Shoreline Development Permit (SSDP) and State Environmental Policy Act (SEPA) - LU19-0066

Dear Ms. Schultz,

Thank you for providing the opportunity to review and comment on the SSDP and SEPA documents for SeaPort Sound Terminal's Taylor Way Rail Spurs project (LU19-0066), hereinafter referred to as the "Project".

Citizens for a Healthy Bay (CHB) is a 29-year-old organization whose mission is to represent and engage people in the cleanup, restoration, and protection of Commencement Bay, its surrounding waters and natural habitat. We are a 501(c)3 nonprofit providing practical, solutions-based environmental leadership in south Puget Sound. We work side-by-side with residents, businesses, and government to prevent and mitigate pollution and to make our community healthier and more vibrant.

Staff and expert members of CHB's Policy and Technical Advisory Committee have reviewed the Project and its associated documents. Our comments are outlined below.

## Background

SeaPort Sound Terminal (SST) is a petroleum product storage and transport facility, located on the banks of the Hylebos Waterway in Commencement Bay, Tacoma, Washington. SST is permitted for 40,000 barrels (bbl)/day of crude oil marine loading and 7,000 bbl/day of gasoline and ethanol marine loading.<sup>1</sup> SST is proposing to construct four new rail spurs, which will create 32 new transfer locations, in addition to the 36 existing on the property. In addition, this project involves demolishing a concrete pad that has served as a cap over potentially-contaminated sediments, and the excavation of sediment from the property, among other project components intended to address safety concerns.

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CHB is extremely concerned that the proposed Project will double SST's ability to receive, store, and distribute crude oil in Commencement Bay, throughout the Salish Sea, and landward via pipeline and rail. While the Project proponent has repeatedly stated that it is not "seeking any increases in permitted facility throughputs or emission limits," the results of an infrastructure project such as this allows SST to do just that. SST is currently permitted by the Puget Sound Clean Air Agency (PSCAA) to load 40,000 bbl/day of crude oil.<sup>1</sup> How much oil *actually* moves through this facility daily is unknown, as the information is not available to the public. The only source we have on the matter is from a 2017 Sightline report, where it was estimated that SST (then Targa Sound Terminal) and US Oil & Refining jointly received an average of 22,381 bbl crude/day during the first quarter (Note: this is a joint estimate, we do not know how much each facility received independently).<sup>2</sup> Consequently, with SST proposing to double the number of transfer stations on their property, if permitted, they have the opportunity to more than double their actual throughput without exceeding their PSCAA permit.

As we learn more about climate science and the shrinking window of time we have to address climate change, we must reconsider the ways in which we analyze fossil fuel projects. As the lead agency for this Project, we ask the City of Tacoma to use its discretion in making their determination – the rule of law is antiquated and no longer adequately addresses the real threats of climate change we are already facing today.

*Due to the substantial uncertainties around the actual outcome of the Project, and the high likelihood of significant adverse environmental and public health impacts posed by the Project, CHB urges the City of Tacoma to issue a Determination of Significance for the Project, and begin the process of initiating an Environmental Impact Statement.*

### **Descriptions of Existing Conditions**

The Project site is located within the Commencement Bay/Nearshore Tidelands Superfund Site, and was historically used for industrial activities including petroleum storage, vehicle scrapping, shipbuilding, and log sorting. These historical uses left the site contaminated with arsenic, copper, lead, petroleum, PCBs (poly-chlorinated biphenyls), and zinc, among others.<sup>3</sup> While the site was cleaned up in the early 2000s, an environmental covenant was required at the site because no soil data was collected under the concrete slab that is still on the property and slated for removal. SST is required to formally notify the Department of Ecology and perform sediment testing before any demolition of the slab can occur.<sup>4</sup> Because the sediment under the concrete slab has not been tested, all of the contaminants listed above are potentially still located at the site, and have the potential to be discharged into both surface and groundwater.

*In order for the permit documents to more accurately reflect the existing conditions, CHB recommends these contaminants be listed in the JARPA under question 9i.*

Our concern over contaminants discharging from the Project site are compounded by SST's history of non-compliance with their stormwater permit (NPDES permit), in volumes that are known to exceed human health and aquatic life water quality criteria. In their 2018 NPDES Permit WA0003204, Ecology stipulated that SST must:

- 1) Prepare and implement an engineering report that investigates the source of zinc and copper in their stormwater discharge;
- 2) Evaluate management practices to eliminate, reduce, or control zinc, copper, and total suspended solids in their stormwater discharge, and;
- 3) Comply with benchmark values for copper, zinc, and total suspended solids.<sup>5</sup>

*CHB requests information on how the City of Tacoma will ensure SST is complying with the conditions of their stormwater permit PRIOR to any demolition or sediment excavation at the Project site.*

As noted above, the Project site is located along the banks of the Hylebos Waterway in Commencement Bay. Hylebos Creek outlets into the Hylebos Waterway, and is a salmon-bearing body of water, hosting runs of fall Chinook, Coho, fall Chum, winter Steelhead, and odd-year pink salmon.<sup>6</sup> This Project falls within the Puyallup Tribe of Indians Reservation and lands covered by the 1988 Puyallup Land Claims Settlement.<sup>7</sup> Commencement Bay and the Puyallup River watershed contain fish and marine mammal species listed under the Endangered Species Act (ESA), as well as designated critical habitat and Essential Fish Habitat under the Magnuson-Stevens Fishery Conservation and Management Act. These areas also provide juvenile and adult habitat for salmonids and their prey resources.<sup>8,9</sup> In addition to being federally protected, these species and habitats are culturally important to the Puyallup, Nisqually, Squaxin Island, and Muckleshoot Tribes, and other Coast Salish peoples.

*CHB recommends that the permit, if approved, stipulate that any construction complies with in-water work windows for Commencement Bay. Additionally, we request any descriptions of existing conditions in the Project permit documents be updated to accurately reflect the presence of the species listed above, and the significance of the Project site to indigenous communities.*

*CHB echoes the City's concerns listed in the "Comment Memo Review" document, and request that SST develop a geotechnical report to address possible liquefaction, given that the Project site is in an area having a "HIGH susceptibility to liquefaction."<sup>10</sup>*

*We also echo the City's concerns about SST not providing information on their provision of permitting controls that would be necessary given the high likelihood the Project will result in an increase of actual throughput.<sup>11</sup> If the Project is intended to increase SST's actual throughput of fossil fuels, CHB expressly opposes all elements of the Project.*

Please contact me if there are questions regarding my comments. Thank you for the opportunity to provide feedback on the SSDP and SEPA documents for SeaPort Sound Terminal's Taylor Way Rail Spurs project.

Sincerely,



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1. Puget Sound Clean Air Agency. (2016). *Notice of Construction Order of Approval for NOC No. 11069*. March 8, 2016.
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3. Washington Department of Ecology. (n.d.). *Simon & Sons 1601 Taylor Way*. Accessed from <https://apps.ecology.wa.gov/gsp/Sitepage.aspx?csid=145> on June 19, 2019.
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5. Washington Department of Ecology. (2018). *Fact Sheet for NPDES Permit WA0003204, Targa Sound Terminal*. July 1, 2018.
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7. Puyallup Tribe of Indians. (2017). *Puyallup Tribe Map of the Puyallup Reservation Land of the Puyallup People*. Puyallup Tribe GIS Dept.
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10. City of Tacoma. (2019). *Comment Memo – Review Record # LU19-0066 – 1621 Taylor Way*. May 9, 2019.
11. *Email communication between Brennan Kidd and Shirley Schultz*. April 19, 2019.